

AMENDED IN ASSEMBLY AUGUST 6, 2013

AMENDED IN ASSEMBLY JUNE 24, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 30, 2013

AMENDED IN SENATE APRIL 16, 2013

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 461

Introduced by Senator Leno

February 21, 2013

An act to add Section 6217.9 to the Public Resources Code, relating to coastal resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 461, as amended, Leno. State tide and submerged lands: mineral extraction leases: revenues.

Existing law authorizes the State Lands Commission to lease tide and submerged lands and beds of navigable rivers and lakes for the extraction of oil and gas, as specified. Existing law, with specified exceptions, generally requires the State Lands Commission, on and after July 1, 2006, to deposit all revenue, money, and remittances, derived from mineral extraction leases on state tide and submerged lands, including tideland oil revenue, into the General Fund, to be available upon appropriation by the Legislature for specified purposes.

This bill would create the Coastal Adaptation Fund in the State Treasury, and would authorize the expenditure of moneys in the fund, in an amount not to exceed \$10,000,000 annually, by the Ocean

Protection Council, the Department of Fish and Wildlife, the California Coastal Commission, the State Coastal Conservancy, the State Lands Commission, and the San Francisco Bay Conservation and Development Commission, upon appropriation by the Legislature in the annual Budget Act, for activities that prepare, plan, and implement measures based upon the best available scientific information, that are designed to address and adapt to sea level rise and coastal climate change.

The bill would ~~require~~ *provide that* the Legislature ~~to~~ *shall* appropriate, from tidelands oil revenue, ~~unspecified amounts at least \$6,000,000~~ to the Coastal Adaptation Fund for these purposes in the annual Budget Act and would require that funding made available pursuant to these provisions be in accordance with the 2009 California Climate Adaptation Strategy, as specified. The bill would require the Natural Resources Agency to ensure that moneys expended from the fund are in compliance with the strategy and would authorize the agency to require each of the above-listed entities to provide information necessary to implement these provisions. The bill would require the agency to make certain information regarding activities funded by the Coastal Adaptation Fund available on a publicly accessible Internet Web site. The bill would also make various findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The coast of California is a vital and invaluable natural
- 4 resource of statewide importance belonging to all the people, and
- 5 its preservation and accessibility by current and future generations
- 6 is of paramount concern to the residents of this state and nation.
- 7 (b) Burning nonrenewable fossil fuels that are extracted from
- 8 California's public lands and state tidelands contributes to global
- 9 climate change and sea level rise, which threatens the state's coastal
- 10 natural resources, human, plant, and animal communities, public
- 11 infrastructure, coastal tourism and recreational opportunities, and
- 12 the state's fifty-billion-dollar (\$50,000,000,000) coastal economy.
- 13 (c) Royalty revenue generated from leases authorizing the
- 14 extraction of nonrenewable resources on the state's trust lands
- 15 should be prioritized for planning, minimizing, and mitigating the

1 environmental impacts of those activities, including, but not limited
2 to, sea level rise.

3 (d) California’s coastal management agencies, the California
4 Coastal Commission, the San Francisco Bay Conservation and
5 Development Commission, and the State Coastal Conservancy,
6 have broad authority for protecting coastal resources, enhancing
7 public access to and along the shoreline, and working in partnership
8 with local governments in long-range land use planning, permitting,
9 and projects.

10 (e) The State Lands Commission, Ocean Protection Council,
11 and the Department of Fish and Wildlife have constitutional and
12 statutory obligations to protect natural resources on other coastal
13 public lands while ensuring public access.

14 (f) Recent “King Tide” events, during which residents
15 photographed the local consequences of extreme high tide events
16 around the state, illustrate that California’s coastal communities
17 are not prepared for the coming “new normal” of rising sea levels,
18 and that enhanced coastal planning and management of coastal
19 resources and development continue to be of preeminent concern
20 to the state.

21 (g) The current rate of global sea level rise calls for an urgent,
22 coordinated, statewide initiative to actively plan for adaptation
23 and mitigation strategies to address the inevitable economic and
24 environmental impacts of sea level rise in this state.

25 (h) California has an existing “planning infrastructure” already
26 in place to address sea level rise, coastal management, and
27 associated planning and land use issues in the form of local coastal
28 programs and the San Francisco Bay Plan.

29 (i) Maintaining a strong state coastal management program,
30 including comprehensive updates of existing planning documents,
31 is the most efficient, cost-effective, and practical method for
32 ensuring that statewide coastal management and climate change
33 policies are locally implemented and that unplanned and costly ad
34 hoc responses that risk more significant environmental and social
35 harm are avoided.

36 (j) Revenues generated from state tideland, oil, and gas leases
37 were historically allocated for environmental projects and programs
38 with a nexus to the extraction activities.

39 (k) In order for the state to maintain its strong coastal
40 management program and to plan and prepare comprehensively

1 for sea level rise in the face of a rapidly changing climate, it is
2 appropriate to allocate revenues from nonrenewable resource
3 royalties to purposes related to coastal resource protection and
4 management, including forward-thinking sea level rise and climate
5 change planning.

6 SEC. 2. Section 6217.9 is added to the Public Resources Code,
7 to read:

8 6217.9. (a) (1) The Coastal Adaptation Fund is hereby created
9 in the State Treasury. Moneys in the fund may be expended, in an
10 amount not to exceed ten million dollars (\$10,000,000) *annually*,
11 by the Ocean Protection Council, the Department of Fish and
12 Wildlife, the California Coastal Commission, the State Coastal
13 Conservancy, the State Lands Commission, and the San Francisco
14 Bay Conservation and Development Commission. The moneys
15 are subject to appropriation by the Legislature in the annual Budget
16 Act, Act to fund activities that prepare, plan, and implement
17 measures, based upon the best available scientific information,
18 that are designed to address and adapt to sea level rise and coastal
19 climate change.

20 (2) Moneys appropriated to the State Coastal Conservancy from
21 the Coastal Adaptation Fund shall be subject to Division 21
22 (commencing with Section 31000), and the State Coastal
23 Conservancy shall collaborate with all appropriate public
24 conservancies and commissions in the geographic jurisdiction of
25 those entities in implementing this section.

26 (b) Notwithstanding Section 6217, the Legislature shall
27 appropriate from tidelands oil ~~revenue~~, *revenue* at least ~~_____ six~~
28 *million* dollars (~~\$ _____~~) (\$6,000,000) in the annual Budget Act to
29 the Coastal Adaptation Fund.

30 (c) Moneys made available pursuant to this section shall be used
31 to fund activities that are in accordance with the 2009 California
32 Climate Adaption Strategy, or the most recent update to the
33 strategy, as prepared by the Natural Resources Agency.

34 (d) The Natural Resources Agency shall ensure that moneys
35 expended from the Coastal Adaptation Fund are in compliance
36 with the 2009 California Climate Adaptation Strategy, or its most
37 recent update, and, in ensuring compliance with the strategy, the
38 agency may require the entities described in subdivision (a) to
39 provide information necessary to implement this section.

1 (e) In accordance with subdivision (d), the Natural Resources
2 Agency shall also, on a publicly accessible Internet Web site,
3 annually make available information regarding any activity funded
4 pursuant to this section. The information shall include, at a
5 minimum, all of the following:

6 (1) The name of the agency, or agencies, to which funding was
7 allocated.

8 (2) A summary of the activity funded by the Coastal Adaptation
9 Fund, including the activity's purpose and its relationship to the
10 2009 California Climate Adaptation Strategy, or its update.

11 (3) The amount allocated for the activity.

12 (4) An anticipated timeline and total cost for completion of the
13 activity.